

Republican Budget Neglects Nation's Health Care Needs

Over 52 Million People Rely on Medicaid, But Republicans Cut the Program

Republican Budget Cuts Medicaid — The House Republican budget requires \$2.2 billion in cuts from Energy and Commerce. Since the Budget Committee Chairman made it clear that “Medicare cuts were off the table,” Medicaid is really the only place the Commerce Committee can cut spending. Cutting Medicaid will jeopardize health care for the over 52 million children, parents, seniors and disabled individuals who rely on the program for their health care.

Now is Not the Time to Cut Medicaid —

- The recent state fiscal crisis has forced nearly every state to cut its Medicaid program, including cutting eligibility (25 states), cutting benefits (18 states), raising co-payments (17 states), and cutting provider payments (every state).
- Over one million individuals lost health coverage due to state cuts.
- States still face budget shortfalls of \$35 billion for 2005.
- States face the loss of \$10 billion in fiscal relief at the end of June.

There is Widespread Opposition to Medicaid Cuts —

- The Senate rejected Medicaid cuts, with 53 Senators voting to strike instructions directing the Finance Committee to cut the program.
- 29 House Republicans signed a letter opposing Medicaid cuts.
- 177 National provider, hospital, consumer and advocacy groups oppose Medicaid cuts, including the American Medical Association, American Hospital Association, March of Dimes, and Alzheimer's Association.
- Both Republican and Democratic governors oppose Medicaid cuts.

Bipartisan Legislation Providing Health Coverage to Disabled Children Not Funded by Republican Budget

Democrats Provide for Health Coverage for Disabled Children, Republicans Do Not — The Democratic budget provides full funding for the Family Opportunity Act — nearly \$8 billion over ten years. This legislation enjoys widespread bipartisan support in both the House and Senate, yet the Republican budget resolution only provides a “deficit-neutral reserve fund” that requires Congress to cut other spending if it wants to enact this legislation.

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Family Opportunity Act Expands Health Coverage for Disabled Children — The Family Opportunity Act would allow families with disabled children to buy into Medicaid for health coverage under certain conditions. This option would be available for children under 18, who are disabled, and whose family income is low, but not low enough to meet current Medicaid income tests for coverage.

Republicans Let Funding Expire for State Children's Health Insurance Program

Republicans Let \$1 Billion in SCHIP Funds Expire — The complexity of the funding formula for the State Children's Health Insurance Program (SCHIP) means that SCHIP funds expire, even though there are states that need and could use those funds to sustain their programs. Under current law, \$1.1 billion will expire on September 30. The Republican budget does nothing to retain these funds within the SCHIP program.

Democrats Restore SCHIP Funds, Helping Hundreds of Thousands of Children — The Democratic budget restores and better targets the \$1.1 billion that will revert to the Treasury on October 1, helping to limit some of the estimated loss of coverage to 400,000 children over the next four years.

Republican Budget Creates a Public Health Deficit

Republican Budget Ignores the Needs of the Public Health System — The public health system prevents disease, advances medical knowledge, delivers key health care services, strives to ensure food safety, and trains the public health workforce. Despite the importance of this system, the Republican budget cuts funding for public health by \$1.1 billion (1.9 percent) below the 2004 enacted level, when adjusted for inflation. Public health spending never catches up to the 2004 level, when adjusted for inflation — over five years, public health programs face an \$11.4 billion shortfall.

Cuts Undermine Research at NIH — Under the Republican budget, NIH faces a cut of \$553 million below the 2004 level, when adjusted for inflation. This cut undermines critical research efforts.

- Over 877,000 people in the U.S. are living with HIV/AIDS, but this budget cuts AIDS research by \$28 million.
- The budget cuts cardiovascular disease research by \$22 million, even though heart disease is the leading cause of death in the U.S.

Democratic Budget Protects Public Health Programs — The Democratic budget restores the \$1.1 billion cut by the Republican budget, and ensures that these important programs maintain the purchasing power that they had in 2004.